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DELIVERED ELECTRONICALLY

May 18, 2022

Mr. Steven Horton
SHCCSI
PO Box 399
Walpole, NH 03608

RE: Docket No. GMCB-014-21con, North Country Hospital, Construction and Renovation Project Involving the In-Patient Department, Emergency Department, Lab Department, OT/PT/ST Department and Access and Canopies. Total Project Cost: \$27,898,176.

Dear Mr. Horton:

Thank you for your response to the third set of questions regarding the above referenced project. Please respond to the questions/requests below.

Balance Sheet:

1. Re. the Balance Sheet, it is our understanding that the Debt Financing Expenses such as Capitalized interest for the project should be included in the value of the Assets on the Balance Sheet. Please explain your reasoning why this is not the case for your project. Please correct and resubmit Tables 3 A, B and C, "Income Statement" and Tables 4 A, B and C, "Balance Sheet" with the adjusted asset values, if appropriate. Please see the link from PwC for the reason for this question.

https://viewpoint.pwc.com/dt/us/en/pwc/accounting_guides/property_plant equip/property_plant equip_US/chapter_1_capitaliza_US/13_capitalized_inter_US.html

2. Provide a commitment letter from the bank that will be financing the \$24,681,670.00.
3. FF&E costs associated with this project, must be included in financial Table 1 and 2 in the FF&E line item. Also, if there are costs for Site Work, Fixed Equipment, Design/Bidding Contingency, Major Moveable Equipment, such costs must be reflected in these specific line items and not grouped in other line items. Revise and resubmit Tables 1 and 2 and all other affected financial tables.



4. The proposed floor plans do not identify any separate unit to treat and house, if needed, individuals experiencing a mental health crisis. Explain in detail NCH's plan to treat and house, while awaiting placement in an appropriate setting, individuals experiencing a mental health crisis who present at the ED.
5. Provide more detail and an update on the organizations and individuals from the mental health advocacy community that you have consulted and/or met with regarding treatment of individuals experiencing a mental health crisis who present at the ED. Explain the focus of discussions, level of support for NCH's plans for treating individuals experiencing a mental health crisis who present at the ED, and the degree of engagement planned with the mental health advocacy community going forward.
6. In a table format for the hospital's FY 2019, FY 2020, and FY 2021, show the total number of ED visits and, of those, the number of ED visits for mental health and the percent of total that mental health visits comprised.
7. For each of the five components (MCH and Med/Surg, ED, Lab, OT/PT, Lobby/Reception/Centralized Check-in) to be constructed or renovated, provide a more detailed overview of existing conditions that demonstrate why the proposed renovations are needed. For space being renovated, include when each space was originally constructed, when past renovations and/or construction were completed, the scope and nature of past renovations/construction completed, descriptions of the limitations of existing space, work-flow issues, compliance issues, etc. This question was not addressed in your response to question 1 in the first set of questions. Much more detail is needed to demonstrate why the renovations and new construction are needed.
8. In response to the first set of questions dated March 28, 2022, question 16, it is stated that efforts are underway to identify new updated programs, equipment, and space to draw community members to healthy lifestyle choices and that these efforts and others are in line with NHC's recently updated Community Health Needs Assessment (CHNA). Specify what "these efforts and others" are, the focus of each, and identify the need(s) each effort addresses. Include a copy of the full CHNA.
9. Attachment 1a included in the response to the first set of questions dated March 28, 2022, contains a table that shows the "proposed" square feet of the combined MCH and Med/Surg to be 21,905. However, the existing square footage of MCH (7,437) and Med/Surg (11,158) is 18,595. Please correct this table and resubmit.
10. In your response to questions dated March 28, 2022, response to question 10, it is stated that, at a minimum, the ED will have one Airborne Isolation Room (ALL). Explain what "(ALL)" refers to. Also further address the statement that, "The total number of negative pressure rooms will be reviewed further throughout design development." Planning for negative pressure is important as it has an impact on project cost and financial tables.



11. In response to the second set of questions dated April 11, 2022, question 5, identify and explain the rate increases built into the model to cover normal operating expense increases.
12. Of the 17,200 ED visits noted in your application, identify the number and percentage of those ED visits that were residents from your hospital service area (HSA) vs. the number and percentage residing outside of NCH's HSA.
13. Explain specifically how this project will support equal access to appropriate mental health care that meets the standards of quality, access and affordability equivalent to other components of health care as part of an integrated wholistic system of care.

In responding, restate the question in bold font and respond in unbolded font. Send an electronic copy to me at donna.jerry@vermont.gov and one hard copy (three-hole punched) with a Verification Under Oath to my attention at the Green Mountain Care Board, 144 State Street, Montpelier, Vermont 05602.

If you have any questions, please do not hesitate to contact me at 802-760-8162.

Sincerely,

s/ Donna Jerry

Senior Health Policy Analyst
Green Mountain Care Board

cc. Laura Beliveau
Staff Attorney

